Tennessee Small Business Environmental Assistance Program (SBEAP) Compliance Advisory Panel (CAP)

The passage of the 1990 Clean Air Act Amendments (Act) established the framework of new regulatory permitting, operating and control requirements with significant impact for small businesses. These small businesses are often referred to as area sources. The Act requirements would bring previously unpermitted area source small businesses into the environmental regulatory arena. In some cases previously permitted sources would have additional regulatory requirements established.

The Act required EPA to identify and list the area source (small business) categories that represent most of the toxic emissions. EPA identified a total of 70 area source categories and began development of regulations. In 2003 and 2006 the EPA was put on a court ordered schedule to issue the area source standard. EPA is currently issuing 10 new area source regulations every six months. These regulations could potentially impact thousands of Tennessee small businesses.

Because environmental regulations are often complex and difficult to comprehend, Title V, Section 507 of the Act required each state to establish a Small Business Environmental Assistance Program (SBEAP) to help small businesses know there are regulations affecting them and to assist small businesses in understanding and complying with environmental regulations.

The Tennessee Air Pollution Control Board developed, adopted, submitted and had approved by EPA, an Air Quality State Implementation Plan (SIP) amendment that included the Small Business Environmental Assistance Program (SBEAP) consistent with the requirements of the Act. Air pollution industry permit fees fund the SBEAP. The federal Act and State Air Quality Plan determined the SBEAP as a confidential environmental assistance program for small business. The SBEAP has no enforcement authority. The Act and SIP established three SBEAP components:

- 1) A Small Business Ombudsman (Advocate)
- 2) A comprehensive technical assistance program
- 3) A Compliance Advisory Panel

Tennessee established the Advocate and technical assistance program components. The Small Business Environmental Assistance Program provides regulatory notifications, permitting assistance, on-site compliance reviews, easy to understand compliance tools, training programs and a Web site for Tennessee small businesses.

The required Compliance Advisory Panel purposes are to:

- render advisory opinions about the technical assistance program, difficulties encountered, and the degree and severity of enforcement.
- make periodic reports to the EPA Administrator about the state program's compliance with the Paperwork Reduction Act, and the Equal Access to Justice Act.
- review information provided to small business sources to assure the information is understandable by the layperson.

The Act requires a Panel of not less than seven (7) members with the following membership appointments:

- Two appointments by Governor of non business owners/representatives
- Two appointments by the State Senate of small business owners/representatives
- Two appointments by the State House of small business owners/representatives
- One appointment by Environmental Commissioner to represent the Agency

The Department is in the process of establishing the State permitting and fee requirements for the thousands of small businesses brought into the regulatory process. The Panel members will serve as a resource to assist formulating permitting strategies, appropriate outreach methods and resolving enforcement actions and environmental compliance issues with small business groups. The Panel members will assist the Department with identifying small businesses potentially impacted by new environmental regulations.

As required in the Act, the Panel will review the SBEAP activities and assess effectiveness. Members will assist the development and review of reports on Program activities. The Panel will make periodic reports to EPA and the Air Pollution Control Board on SBEAP activities and their assessment. The Panel will review Program materials to determine understandability by small business owners. Additionally, the Panel will review Program service delivery to assess compliance with federal statutes.

The Panel will meet twice a year.

Compliance Advisory Panel contact:

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